

7455 A-98-448

**MASTER SETTLEMENT AGREEMENT, RELEASE,  
STIPULATION FOR JUDGMENT, AND ORDER.**

This MASTER SETTLEMENT AGREEMENT, RELEASE, STIPULATION FOR JUDGMENT, AND ORDER is made and entered into by and between the following parties:

**PARTIES:**

COUNTY OF FRESNO ("County");  
CITY OF FRESNO ("City");  
REDEVELOPMENT AGENCY OF THE CITY OF FRESNO ("Agency");  
BOARD OF SUPERVISORS OF THE COUNTY OF FRESNO ("Board");  
FRESNO COUNTY AUDITOR-CONTROLLER/TREASURER-TAX  
COLLECTOR ("Auditor");  
FRESNO COUNTY CLERK SUSAN ANDERSON ("Clerk");  
SUNNYSIDE PROPERTY OWNERS ASSOCIATION ("Sunnyside");  
FRESNO COUNTY LOCAL AGENCY FORMATION COMMISSION  
("LAFCo").

**RECITALS**

WHEREAS, a number of disputes have arisen between the County of Fresno and the City of Fresno, which disputes resulted in a number of lawsuits between them, as follows: (1) County of Fresno v. City of Fresno, Superior Court Case No. 502123-3; (2) City of Fresno, et al. v. County of Fresno, et al., Superior Court Case No. 545904-5; (3) County of Fresno v. City of Fresno, et al., Superior Court Case No. 560663-7; (4) City of Fresno v. County of Fresno, Superior Court Case No. 566895-9; (5) County of Fresno v. City of Fresno, et al., Superior Court Case No. 571200-5; and, (6) County of Fresno v. City of Fresno, et al., Superior Court Case No. 573647-5; and,

WHEREAS, related disputes have arisen involving the Sunnyside Property Owners Association and the Fresno County Local Agency Formation Commission, resulting in their being named as parties in Superior Court Case No. 560663-7; and,

1 WHEREAS, on or about December 16, 1996, the aforesaid parties entered into a  
2 Master Stipulation For A Moratorium To Permit Settlement Negotiations, which was  
3 made an Order of the court on December 17, 1996, as extended by Court approved  
4 stipulation, to allow the parties to voluntarily resolve their differences and negotiate a  
5 settlement of the lawsuits; and,

6 WHEREAS, as the result of said negotiation efforts under the Master Stipulation  
7 For Moratorium, the City and County successfully negotiated a voluntary dismissal of the  
8 City's action in Superior Court Case No. 573647-5, entitled City of Fresno v. County of  
9 Fresno ("Boot Camp"); and,

10 WHEREAS, on or about August 20, 1997, the negotiating teams of the City  
11 Council and Board of Supervisors reached a conceptual agreement and framework for  
12 settling their differences, and reduced those principles to a writing entitled the  
13 "Recommended Deal Points," which set forth the following settlement principles:

14 1. Issues regarding sphere of influence and annexation will not be linked to the  
15 lawsuits. Further, annexation and sphere of influence will be handled in the normal and  
16 ordinary routine of present practices.

17 2. As an amendment to the 1991 MOU, and until the expiration of the 1991  
18 MOU, the City proposes to commit \$1 million annually toward juvenile detention of  
19 sentenced juveniles. This amount is to be adjusted annually by a mutually agreed upon  
20 cost-of-living indicator, such as the California Urban C.P.I. In exchange for such a  
21 commitment, the County shall agree to use the annual \$1 million, as adjusted, solely for  
22 defraying costs of confinement of adjudicated juveniles at the Elkhorn Detention Facility  
23 or other County detention facility or facilities, other than the Tenth Street facility, and is  
24 willing to accept this as settlement for outstanding matters with the City with respect to  
25 all fines and forfeitures in the parking fines lawsuit. Upon execution of this settlement  
26 agreement, the 1977 MOU will be immediately amended to the effect that its applicability  
27 as to parking violations will terminate.

28 3. The County is willing to settle the outstanding matters on AB 1290 by

1 deferring to applicable state law as the structured method to participate in redevelopment  
2 policy formation. Wherever appropriate, redevelopment activities should directly  
3 promote mutually beneficial programs focusing on economic development and job  
4 creation; and,

5 WHEREAS, the City Council and the Board of Supervisors each approved the  
6 principles in the "Recommended Deal Points" and they directed staff to prepare a  
7 settlement agreement which reflected those principles; and,

8 WHEREAS, for a number of months thereafter the negotiators for the City and the  
9 County were resolving several issues arising from the preparation of settlement  
10 documents; and,

11 WHEREAS, as partial payments toward the first annual \$1 million installment  
12 payment to County, City paid County \$100,000 and \$400,000 in fiscal year 1997-98,  
13 which County shall apply toward the \$1 million due to County for the 1997-98 fiscal  
14 year; and,

15 WHEREAS, the "Recommended Deal Points" were supplemented on September  
16 15, 1998, to provide that the 1977 MOU shall terminate on March 22, 2008, and shall  
17 terminate earlier than March 22, 2008, only if the 1991 MOU is either amended or  
18 superseded by another Memorandum of Understanding between the City and County to  
19 expressly terminate the 1977 MOU after September 30, 1998. However, at any occasion  
20 after September 30, 1998, if the parties meet to negotiate an amendment to the 1991  
21 MOU, they shall contemporaneously consider the question of whether or not to terminate  
22 the 1977 MOU prior to March 22, 2008; and,

23 WHEREAS, the parties now desire to resolve and compromise their differences  
24 and to completely terminate the remaining litigation currently pending in the Superior  
25 Court of the State of California, in and for the County of Fresno, which settlement is  
26 without adjudication of any issue of fact or law and without any admission of liability or  
27 concession on the part of any party, but is a compromise only; and,

28 WHEREAS, the parties agree to reduce their compromise to this Master

1 Settlement Agreement, Release, Stipulation For Judgment and Order (hereinafter "Master  
2 Settlement Agreement"), to seek the court's approval thereof, and to initiate and carry out  
3 all necessary actions and execute all necessary instruments to fully implement this  
4 settlement.

5 NOW, THEREFORE, the parties agree as follows:

6 **AGREEMENT**

7 In consideration of the mutual promises and performances hereinafter described, it  
8 is agreed as follows:

9 A. **THE LITIGATION BEING COMPROMISED.** The several cases  
10 comprising the Litigation, with the corresponding plaintiffs, defendants, cross-  
11 complainants or cross-defendants named therein, each of whom shall be bound by this  
12 Master Settlement Agreement, are as follows:

13 1. Superior Court Case No. 502123-3, entitled County of Fresno v. City of  
14 Fresno, and Related Cross-Action ("Parking Fines"): Plaintiff and Cross-Defendant  
15 County of Fresno, Defendant and Cross-Complainant City of Fresno.

16 2. Superior Court Case No. 545904-5, entitled City of Fresno and  
17 Redevelopment Agency of the City of Fresno v. County of Fresno, Fresno County Board  
18 of Supervisors, Fresno County Auditor-Controller/Treasurer-Tax Collector, and Related  
19 Cross-Action ("AB 1290"): Plaintiff and Cross-Defendant City of Fresno, Plaintiff and  
20 Cross-Defendant Redevelopment Agency of the City of Fresno, Defendant and Cross-  
21 Complainant County of Fresno, Defendant Fresno County Board of Supervisors,  
22 Defendant Fresno County Auditor-Controller/Treasurer-Tax Collector.

23 3. Superior Court Case No. 560663-7, entitled County of Fresno v. City of  
24 Fresno, and Fresno Redevelopment Agency, and Related Cross-Action ("CSA 48"):  
25 Plaintiff and Cross-Defendant County of Fresno, Defendant and Cross-Complainant City  
26 of Fresno, Defendant and Cross-Complainant Redevelopment Agency of the City of  
27 Fresno, Cross-Defendant Fresno County Board of Supervisors, Cross-Defendant Fresno  
28 County Auditor-Controller/Treasurer-Tax Collector, Cross-Defendant Fresno County

1 Clerk Susan Anderson, Cross-Defendant Sunnyside Property Owners Association, and  
2 Cross-Defendant Fresno County Local Agency Formation Commission.

3 4. Superior Court Case No. 571200-5, entitled County of Fresno v. City of  
4 Fresno and Fresno Redevelopment Agency ("Roeding Park - CEQA"): Petitioner County  
5 of Fresno, Respondent City of Fresno, and Respondent Fresno Redevelopment Agency.

6 5. Superior Court Case No. 573647-5, entitled County of Fresno v. City of  
7 Fresno, Redevelopment Agency of the City of Fresno ("Roeding Park - Redevelopment"):  
8 Plaintiff County of Fresno, Defendant City of Fresno, and Defendant Redevelopment  
9 Agency of the City of Fresno.

10 Superior Court Case No. 566895-9, entitled (City of Fresno v. County of Fresno  
11 ("Bootcamp")); was earlier voluntarily dismissed as the result of City and County  
12 negotiations, which dismissal was entered on January 28, 1997, and said action is not a  
13 part of this Master Settlement Agreement. The remaining lawsuits (hereinafter the  
14 "Litigation") are in various stages of action, having been suspended and stayed as the  
15 result of the parties' Moratorium Agreement, and the parties intend that they each and all  
16 be compromised and settled by this Master Settlement Agreement. The parties agree that  
17 the Presiding Judge of the Superior Court may make this Master Settlement Agreement an  
18 order of the court, and that the order shall be binding upon the parties and the Litigation.

19 B. **THE EXCHANGE OF CONSIDERATION.** The parties agree that the  
20 following promises and counter-performances thereof constitute the necessary  
21 consideration for the settlement being made herein:

22 1. All parties shall forthwith dismiss their respective pending complaints,  
23 petitions, and cross-complaints in each of the cases comprising the Litigation against all  
24 defendants and cross-defendants listed in this Master Settlement Agreement, with  
25 prejudice.

26 2. All parties shall bear their own legal fees, court costs, attorneys fees and  
27 other expenses incurred in or related to the Litigation, including any legal fees or costs  
28 incurred in finalizing this Master Settlement Agreement.

1           3. City, County and Agency agree that County shall and hereby does  
2 extinguish its claims to the receipt of property tax increments under Article VI of the  
3 1991 MOU, and further agree that property tax increment payments shall instead be paid  
4 to County pursuant to the provisions of Health and Safety Code section 33607.5, or  
5 33607.7 as applicable. County, City and Agency agree to execute an amendment to the  
6 1991 MOU, whereby County agrees to accept the new obligations and the performance  
7 set forth therein in place of the obligations set forth in the payment provisions of Article  
8 VI of the 1991 MOU. The form of the Amendment to the 1991 MOU is attached as  
9 Exhibit "A."

10           4. City and County agree to amend the 1977 MOU to provide for its  
11 termination, as follows: The 1977 MOU shall terminate March 22, 2008, and shall  
12 terminate earlier than March 22, 2008, only if the 1991 MOU is either amended or  
13 superseded by another Memorandum of Understanding between the City and County to  
14 expressly terminate the 1977 MOU after September 30, 1998. However, at any occasion  
15 after September 30, 1998, if the parties meet to negotiate an amendment to the 1991  
16 MOU, they shall contemporaneously consider the question of whether or not to terminate  
17 the 1977 MOU prior to March 22, 2008. The form of the amendment to the 1977 MOU  
18 is attached as Exhibit "B."

19           5. City and County stipulate to a judgment pursuant to the provisions of  
20 Government Code section 970, et seq., the form of which is attached as Exhibit "C", the  
21 intended effect of which is to pay County the sum of Nine Million Dollars  
22 (\$9,000,000.00), to be paid in equal annual installments of One Million Dollars  
23 (\$1,000,000.00), plus interest, from the 1997-98 fiscal year up to and including the 2005-  
24 06 fiscal year, to be used by County toward defraying the costs of confinement of  
25 adjudicated juveniles at the Elkhorn Detention Facility or other County detention facility  
26 or facilities, other than the Tenth Street facility, as follows:

27                   (a) For the fiscal year 1997-98, City shall pay County the sum of  
28 One Million Dollars (\$1,000,000.00). Credit is hereby given to City for two partial

1 payments previously made to County which total Five Hundred Thousand Dollars  
2 (\$500,000.00), leaving a balance of Five Hundred Thousand Dollars (\$500,000.00) due  
3 and owing to the County for fiscal year 1997-98. Said balance of Five Hundred  
4 Thousand Dollars (\$500,000.00) shall be paid in seven equal annual installment payments  
5 of Seventy One Thousand Four Hundred Twenty Nine Dollars (\$71,429.00) until fully  
6 paid. Each payment shall bear interest, which is computed as follows: each payment  
7 shall be adjusted by the annual percentage of change in the California Urban Consumer  
8 Price Index For All Urban Consumers issued by the State of California, Department of  
9 Industrial Relations, with the base index being 160.2 (July, 1997). The first annual  
10 installment payment, adjusted by the aforesaid change in the California Urban C.P.I.,  
11 shall be paid on September 1, 1999. Each subsequent installment payment plus the  
12 adjustment for change in the California Urban C.P.I. shall be paid on September 1 of each  
13 fiscal year until fully paid. In no event shall the adjustment for change in the California  
14 Urban C.P.I. result in a payment to County of less than \$71,429.00 in any fiscal year.

15 (b) For fiscal year 1998-99 and for each fiscal year thereafter up to  
16 and including fiscal year 2005-06, City shall pay County an installment payment of One  
17 Million Dollars (\$1,000,000) on September 1 of each such fiscal year. The payment for  
18 fiscal year 1998-99 and for each year thereafter up to and including the fiscal year 2005-  
19 06 shall bear interest, to be computed as follows: each payment shall be adjusted by the  
20 annual percentage of change in the California Urban Consumer Price Index For All Urban  
21 Consumers issued by the State of California, Department of Industrial Relations, with the  
22 base index being 160.2 (July, 1997). The first annual installment payment, adjusted by  
23 the aforesaid change in the California Urban C.P.I., shall be paid on September 1, 1998.  
24 Each subsequent installment payment plus the adjustment for change in the California  
25 Urban C.P.I. shall be paid on September 1 of each fiscal year until fully paid. In no event  
26 shall the adjustment for change in the California Urban C.P.I. result in a payment to  
27 County of less than \$1,000,000.00 in any fiscal year.

28 ///

1 Nothing in this Master Settlement Agreement or this Judgment shall require  
2 the Redevelopment Agency, either directly or indirectly, as part of this Master Settlement  
3 Agreement or this Judgment, to make any payments to the County or any other affected  
4 taxing entities which are prohibited by Health & Safety Code section 33607.5(f)(2), or to  
5 pay for any public facilities that will be owned or leased to an affected taxing entity,  
6 including the Elkhorn Detention Facility or other County detention facility or facilities.

7 The City and County shall take all necessary steps to bring this stipulation  
8 for judgment to the court for approval promptly after execution of this Master Settlement  
9 Agreement by all parties, including, if necessary, the filing of an appropriate motion. If  
10 such a motion is required, the parties shall prepare a joint motion to the court and  
11 schedule it for hearing at the earliest available date on the court's calendar.

12 6. City and Agency Releases. City and Agency hereby agree to and do  
13 fully, finally and forever remise, discharge and release the County, Board, Auditor, Clerk,  
14 Sunnyside and LAFCo, their officers, employees, agents, accountants, attorneys, and all  
15 others acting for, under, or in concert with such party, past and present, of and from those  
16 claims, demands, actions, causes of action, obligations, damages, liabilities, loss, costs or  
17 expense, including attorney's fees, which are alleged or set forth in the lawsuits  
18 comprising the Litigation.

19 7. Sunnyside Releases. Sunnyside hereby agrees to and does fully, finally  
20 and forever remise, discharge and release the City and Agency, their officers, employees,  
21 agents, accountants, attorneys, and all others acting for, under, or in concert with such  
22 party, past and present, of and from those claims, demands, actions, causes of action,  
23 obligations, damages, liabilities, loss, costs or expense, including attorney's fees, which  
24 are alleged or set forth in the lawsuits comprising the Litigation.

25 8. LAFCo Releases. LAFCo hereby agrees to and does fully, finally and  
26 forever remise, discharge and release the City and Agency, their officers, employees,  
27 agents, accountants, attorneys, and all others acting for, under, or in concert with such  
28 party, past and present, of and from those claims, demands, actions, causes of action,



1 obligations, damages, liabilities, loss, costs or expense, including attorney's fees, which  
2 are alleged or set forth in the lawsuits comprising the Litigation.

3           9. County, Board, Auditor and Clerk Releases. County, Board, Auditor  
4 and Clerk hereby agree to and do fully, finally and forever remise, discharge and release  
5 the City and Agency, their officers, employees, agents, accountants, attorneys, and all  
6 others acting for, under, or in concert with such party, past and present, of and from those  
7 claims, demands, actions, causes of action, obligations, damages, liabilities, loss, costs or  
8 expense, including attorney's fees, which are alleged or set forth in the lawsuits  
9 comprising the Litigation.

10           10. The parties hereto authorize their respective counsel to execute  
11 whatever form of documentation is necessary or required to terminate the aforementioned  
12 lawsuits constituting the Litigation.

13           C. **NO ADMISSION.** Nothing contained in this settlement agreement shall be  
14 interpreted or construed to be an admission on the part of, nor to the prejudice of any  
15 person or party named herein, and each such party or person hereto expressly denies any  
16 and all liabilities associated with or related to said Litigation and claims described  
17 therein.

18           D. **FINAL SETTLEMENT.** The parties understand that the provisions of  
19 this Master Settlement Agreement shall operate as the final release of all claims set forth  
20 in the Litigation.

21           E. **NO INDUCEMENT.** Each party, individually and collectively, declares  
22 and represents that no promise, inducement or other agreement not expressly contained  
23 herein has been made and this Master Settlement Agreement contains the entire  
24 agreement between the parties as to its subject matter and the terms of this Master  
25 Settlement Agreement are contractual and are not recitals only.

26           F. **BINDING EFFECT.** This Master Settlement Agreement shall inure to the  
27 benefit of and be binding upon each party hereto, their predecessors, successors in  
28 interest, subsidiaries, affiliates, representatives, assigns, agents, officers, directors,

1 employees and personal representatives, past, present and future. The parties specifically  
2 agree that this Master Settlement Agreement and the compromises reflected herein are  
3 premised on factors which are applicable only to the parties and circumstances stated  
4 herein, and that this Master Settlement Agreement is not made for the benefit of or  
5 intended to apply to any other person, public entity or circumstance not specifically  
6 enumerated herein.

7       G.     **FURTHER ACTIONS; FURTHER DOCUMENTS.** To the extent any  
8 further or additional things or acts are required by to be done or taken by any of the  
9 parties hereto to effectuate this Master Settlement Agreement, each party binds itself or  
10 himself to do such things and take such acts, including those to be done or taken through  
11 the exercise of executive or administrative authority, to fully carry out the purposes and  
12 intent of this Master Settlement Agreement. Furthermore, to the extent further documents  
13 or instruments are required to be executed by any of the parties to effectuate this Master  
14 Settlement Agreement each party hereto agrees to execute and deliver such other and  
15 further documents as may be required to carry out the terms of this Master Settlement  
16 Agreement.

17       H.     **REPRESENTATION.** Each party represents and acknowledges that each  
18 of them has been represented by counsel with respect to this Master Settlement  
19 Agreement and all matters covered by or related to herein. Each party has been fully  
20 advised with respect to all rights which are affected by this Master Settlement  
21 Agreement, and each party has authorized and directed their respective attorneys to  
22 execute and deliver such other and further documents or instruments as may be required  
23 to carry out the terms of this Master Settlement Agreement.

24       I.     **NO MODIFICATION.** This Master Settlement Agreement contains the  
25 entire agreement between the parties as to its subject matter and may not be altered,  
26 amended, or modified in any respect, except by a writing duly executed by the party to be  
27 charged. All further prior agreements, understandings, oral agreements and writings as to  
28 the subject matter of this Master Settlement Agreement, save and except the

1 understanding of the parties which culminated in the voluntary dismissal of the Boot  
2 Camp lawsuit, are expressly superseded hereby and are of no further force or effect.

3 J. **ENFORCEMENT.** This Master Settlement Agreement may be enforced  
4 by any of the parties hereto for the failure of any other party to comply with its terms and  
5 to seek any remedy available under law or equity, including specific performance or  
6 injunction.

7 K. **LEGAL AUTHORITY.** Each party warrants to the others that it has the  
8 power and authority to enter into this Master Settlement Agreement on behalf of itself, its  
9 predecessor(s) in interest, and any successors in interest. Each party warrants to the  
10 others that each has the legal authority to enter into and be legally bound by this Master  
11 Settlement Agreement, that each has exercised its discretion in connection with its  
12 Constitutional and statutory responsibilities, and that each determined that this Master  
13 Settlement Agreement is a lawful and valid act and is undertaken in accordance with all  
14 applicable California law and court cases.

15 L. **HEADINGS.** Paragraph headings are used herein for convenience only  
16 and shall have no force or effect in the interpretation or construction of this Master  
17 Settlement Agreement. As used in this Master Settlement Agreement, the singular shall  
18 include the plural and the masculine shall include the feminine and neuter genders.

19 M. **COUNTERPARTS.** This Master Settlement Agreement may be executed  
20 in counterparts, each of which shall be deemed an original, but all of which together shall  
21 constitute one and the same agreement.

22 N. **EFFECTIVE DATE.** This Master Settlement Agreement shall be  
23 effective and binding upon all the parties upon execution by all the parties hereto.

24 IN WITNESS WHEREOF, The parties below named have executed this Master  
25 Settlement Agreement in the County of Fresno, State of California, as of the date and  
26 year last below written.

27 ////

28 ////

1 Dated: September 23, 1998

CITY OF FRESNO

2  
3 By Jeffrey M. Reid  
4 City Manager

5 Dated: September 23, 1998

REDEVELOPMENT AGENCY OF  
THE CITY OF FRESNO

6  
7 By Daniel R. Fitzpatrick  
8 Executive Director

9 Dated: September 24, 1998

APPROVED AS TO LEGAL FORM:

HILDA CANTÚ MONTÓY  
City Attorney

11 ATTEST:

12 REBECCA E. KLISCH  
CITY CLERK

13 By Rebecca E. Klisch

Deputy

By Hilda Cantu Montoy  
Attorney for the City of Fresno and  
Redevelopment Agency of the City of Fresno.

15 Dated: September 22, 1998

COUNTY OF FRESNO, BOARD OF  
SUPERVISORS FOR THE COUNTY OF  
FRESNO

17  
18 By Dan Brambilla  
19 Chairman,  
Board of Supervisors

20 Dated: September 22, 1998

FRESNO COUNTY AUDITOR-  
CONTROLLER/TREASURER TAX  
COLLECTOR

22  
23 By Susan B. Anderson

24 Dated: September 23, 1998

FRESNO COUNTY CLERK SUSAN  
ANDERSON

26 ATTEST:

27 SHARI GREENWOOD, Clerk  
28 Board of Supervisors

By Vyone Nutter

Deputy

By Susan B. Anderson

1 Dated: September 22, 1998

APPROVED AS TO LEGAL FORM:

2 PHILLIP S. CRONIN  
3 County Counsel

4 By 

5 Attorney for County of Fresno, Board of  
6 Supervisors of Fresno County, Fresno County  
7 Auditor-Controller/Treasurer-Tax Collector,  
8 Fresno County Clerk

9 Dated: September 29, 1998

SUNNYSIDE PROPERTY OWNERS  
ASSOCIATION

10 By 

11 Dated: September \_\_\_\_\_, 1998

APPROVED AS TO LEGAL FORM:

12  
13 Attorney for Sunnyside Property Owners  
14 Association

15 Dated: September 23, 1998

FRESNO COUNTY LOCAL AGENCY  
FORMATION COMMISSION

16  
17 By 

18 Dated: September 23, 1998

APPROVED AS TO LEGAL FORM:

19 JEFF KUHN  
20 Madera County Counsel

21  
22 By 

23 Attorney for Fresno County Local Agency  
24 Formation Commission

**ORDER**

25 GOOD CAUSE APPEARING, the foregoing Master Settlement Agreement,  
26 Release And Stipulation For Judgment of the parties is approved and made an order of  
27 this court. This Order is binding on all the litigation and the parties referenced herein.  
28 The parties are ordered to comply with the terms of this Master Settlement Agreement,

1 Release And Stipulation for Judgment, and the Court shall retain continuing jurisdiction  
2 over the parties and subject matter to enforce its terms. It is not necessary for the parties  
3 to secure further orders from assigned departments in order to effectuate this Master  
4 Settlement Agreement. This Court Order shall be filed with each assigned department.  
5

6  
7 Dated: Sept 30 1998

*Lauren J. O'Neill*

8 *Acting* Honorable ~~James Quashnock~~ *L. J. O'Neill*  
9 Presiding Judge, Fresno County Courts

10 A.98MASTER.FIN  
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**FIRST AMENDMENT TO**  
**1991 MEMORANDUM OF UNDERSTANDING BETWEEN**  
**THE COUNTY OF FRESNO, THE CITY OF FRESNO,**  
**AND THE FRESNO REDEVELOPMENT AGENCY.**

THIS FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING is made and executed this \_\_\_\_ day of September, 1998 (the "effective date"), by and between the COUNTY OF FRESNO, a political subdivision of the State of California (hereinafter referred to as ("COUNTY")), the CITY OF FRESNO, a municipal corporation of the State of California (hereinafter referred to as "CITY"), and the FRESNO REDEVELOPMENT AGENCY, a redevelopment agency organized and existing under and by virtue of the laws of the State of California (hereinafter referred to as "AGENCY").

**RECITALS**

WHEREAS, the City, County and Agency have previously entered into a comprehensive agreement covering development, annexations, sales taxes, property taxes, redevelopment and other matters, which is entitled "Memorandum of Understanding Between The County of Fresno, The City Of Fresno, And The Fresno Redevelopment Agency," dated February 26, 1991 (hereinafter "1991 MOU"); and,

WHEREAS, the City and County have experienced a number of disputes between them concerning the operation or interpretation of the 1991 MOU, including a bona fide dispute over the effect on Article VI of the 1991 MOU of certain 1993 legislative amendments to the California Redevelopment Law, more commonly known as "AB 1290"; and,

WHEREAS, these disputes have resulted in several lawsuits between the City and County, which the City and County have agreed to compromise and settle pursuant to the terms of a Master Settlement Agreement, Release, Stipulation For Judgment, and Order (hereafter "Master Settlement Agreement") which is being executed contemporaneously herewith; and,



1 WHEREAS, as set forth in the aforesaid Master Settlement Agreement, the County  
2 agreed to extinguish its claim for tax increment payments to County from redevelopment  
3 projects adopted by the Agency pursuant to Article VI of the 1991 MOU, and to excise  
4 the Redevelopment obligations under Article VI of the 1991 MOU, in consideration of  
5 City's agreement to pay County the amounts set forth therein; and,

6 WHEREAS, in order to effectuate the Master Settlement Agreement, the City,  
7 County and Agency desire to amend the 1991 MOU in accordance with the Master  
8 Settlement Agreement.

9 NOW, THEREFORE, the parties hereto agree to amend the 1991 MOU as  
10 follows:

### 11 AMENDMENT

12 1. Pursuant to the Master Settlement Agreement, County, City and Agency agreed  
13 to extinguish County's claim that 1991 MOU Article VI, section 1.7 and the following  
14 language from page 44, line 27 to page 45, line 1, "except to the extent redevelopment  
15 projects, as defined in this MOU, trigger the application of Article VI of this MOU,"  
16 required City and Agency to pay tax increments to County under the terms of the MOU.

17 2. Therefore, County, City and Agency agree to amend the 1991 MOU as follows:

18 a. Whatever present or future obligation City and Agency have or may  
19 have under the payment provisions of Article VI of the MOU to pay County property tax  
20 increments from redevelopment projects adopted by the Agency are hereby extinguished.

21 b. County shall receive property tax increments from redevelopment  
22 projects adopted by the Agency on or after January 1, 1994, or amended by the Agency  
23 on or after January 1, 1994, in accordance with the provisions of Health & Safety Code  
24 section 33607.5 or 33607.7, if applicable (AB 1290).

25 3. Except as thus amended, all other provisions of the 1991 MOU remain the  
26 same and are unaffected by this First Amendment.

27 4. City, Agency and County agree that each has the legal authority to enter into  
28 and be legally bound by this First Amendment, that each has exercised its discretion in

1 connection with its Constitutional and statutory responsibilities, and that each has  
2 determined that this First Amendment is a lawful and valid act and is undertaken in  
3 accordance with all applicable California law and court cases.

4 IN WITNESS WHEREOF, the parties hereto have executed this First Amendment  
5 to the 1991 Memorandum of Understanding in the County of Fresno, State of California,  
6 on the date first set forth above.

7 CITY OF FRESNO, a Municipal Corporation

8  
9 By JEFFREY M. REID  
10 Chief Administrative Officer

11 REDEVELOPMENT AGENCY OF THE  
12 CITY OF FRESNO

13 By DANIEL R. FITZPATRICK  
14 Executive Director of Redevelopment Agency

15 Ex Officio Secretary of the  
16 Redevelopment Agency

17 By Ex Officio Secretary

18 ATTEST.

19 REBECCA E. KLISCH  
20 CITY CLERK

21 Deputy

22 APPROVED AS TO LEGAL FORM:

23 HILDA CANTU MONTROY  
24 CITY ATTORNEY

25 By: Attorney for the City of Fresno  
26 and the Redevelopment Agency  
27 of the City of Fresno

28 (Signatures continued on next page)

COUNTY OF FRESNO, a Political Subdivision  
of the State of California

By \_\_\_\_\_  
Chairman, Board of Supervisors

ATTEST:  
SHARI GREENWOOD, CLERK  
TO THE BOARD OF SUPERVISORS

By: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:

PHILLIP S. CRONIN,  
COUNTY COUNSEL

By: \_\_\_\_\_  
Attorney for the County of Fresno

APPROVED AS TO ACCOUNTING FORM:

GARY W. PETERSON, AUDITOR-CONTROLLER/  
TREASURER-TAX COLLECTOR

By: \_\_\_\_\_



1 FIRST AMENDMENT TO 1977 MOU

2 THIS FIRST AMENDMENT TO 1977 MOU is made and executed this  
3 \_\_\_\_\_ day of September, 1998 (the "effective date") by and between the COUNTY OF  
4 FRESNO, a political subdivision of the State of California (hereinafter referred to as  
5 ("COUNTY"), and the CITY OF FRESNO, a municipal corporation of the State of  
6 California (hereinafter referred to as "CITY").

7 RECITALS

8 WHEREAS, the City and County entered into that certain agreement entitled  
9 "Agreement Between The County of Fresno And The City Of Fresno Relating To  
10 Municipal Court Fines And Forfeitures," dated March 22, 1977 (hereinafter "1977  
11 MOU"), attached hereto as Exhibit "1"; and

12 WHEREAS, the City and County have experienced a number of disputes between  
13 them concerning the operation or interpretation of the 1977 MOU, including a bona fide  
14 dispute over whether the provisions of certain 1993 legislative amendments, more  
15 commonly known as "AB 408," superseded the 1977 MOU as it related to revenues from  
16 parking citations issued by the City of Fresno; and

17 WHEREAS, these disputes have resulted in a complaint being filed by the County  
18 and a cross-complaint being filed by the City, wherein County and City raised a number  
19 of claims between them, which the City and County have agreed to compromise and  
20 settle pursuant to the terms of a Master Settlement Agreement, Release, Stipulation for  
21 Judgment and Order (hereinafter "Master Settlement Agreement"), which is being  
22 executed contemporaneously herewith; and,

23 WHEREAS, as set forth in the aforesaid Master Settlement Agreement, and in  
24 consideration of City's agreement to pay County the amounts set forth in the Master  
25 Settlement Agreement, the County agreed to extinguish its claim that civil penalties from  
26 parking citations issued and processed by the City fell within the scope of the 1977 MOU  
27 and had to be paid to County, to amend the 1977 MOU in accordance therewith, and to  
28 amend the 1977 MOU to provide that the 1977 MOU shall terminate on March 22, 2008,

1 and shall terminate earlier than March 22, 2008, only if the 1991 MOU is either amended  
2 or superseded by another Memorandum of Understanding between the City and County  
3 to expressly terminate the 1977 MOU after September 30, 1998. However, at any  
4 occasion after September 30, 1998, if the parties meet to negotiate an amendment to the  
5 1991 MOU, they shall contemporaneously consider the question of whether or not to  
6 terminate the 1977 MOU prior to March 22, 2008; and,

7 WHEREAS, in order to implement the Master Settlement Agreement, the City,  
8 County and Agency desire to amend the 1977 MOU so as to effectuate the parties' accord  
9 in the Master Settlement Agreement.

10 NOW, THEREFORE, the parties hereto agree to amend the 1977 MOU as  
11 follows:

#### 12 AMENDMENT

13 1. Pursuant to the Master Settlement Agreement, City and County agreed to  
14 extinguish County's claim that civil parking penalties from the issuance and processing of  
15 parking citations by the City were properly the revenues belonging to County under the  
16 1977 MOU, to amend the 1977 MOU in accordance therewith, and to provide for a  
17 termination of the 1977 MOU.

18 2. Accordingly, County and City amend the 1977 MOU as follows:

19 A. Insert as new paragraph 3, at page 2 thereof, the following:

20 "3. Effective July 1, 1993, this Agreement does not apply to  
21 parking violations, or to the revenues or proceeds thereof, of  
22 whatever kind or nature, collected in connection with parking  
23 violations."

24 B. Insert as new paragraph 4, at page 2 thereof, the following:

25 "4. This Agreement shall terminate on March 22, 2008,  
26 and shall terminate earlier than March 22, 2008, only if  
27 the 1991 MOU is either amended or superseded by  
28 another Memorandum of Understanding between the

1 City and County to expressly terminate the 1977 MOU  
2 after September 30, 1998. However, at any occasion  
3 after September 30, 1998, if the parties meet to  
4 negotiate an amendment to the 1991 MOU, they shall  
5 contemporaneously consider the question of whether  
6 or not to terminate the 1977 MOU prior to March 22,  
7 2008."

8 3. Except as thus amended, all other provisions of the 1977 MOU remain the  
9 same and are unaffected by this First Amendment to the 1977 MOU.

10 4. City and County agree that each has the legal authority to enter into and be  
11 legally bound by this First Amendment, that each has exercised its discretion in  
12 connection with its Constitutional and statutory responsibilities, and that each has  
13 determined that this First Amendment is a lawful and valid act and is undertaken in  
14 accordance with all applicable California law.

15 IN WITNESS WHEREOF, the parties have executed this First Amendment to the 1977  
16 MOU in the County of Fresno, State of California, on the date first set forth above.

17 CITY OF FRESNO

18  
19 By Jeffrey M. Reid  
20 Chief Administrative Officer

21  
22 Approved as to Legal Form:

23 HILDA CANTU MONTTOY  
24 Fresno City Attorney

25 By Attorney for the City of Fresno  
26

27  
28 (Signatures continued on next page.)

COUNTY OF FRESNO

By \_\_\_\_\_  
Chairman,  
Board of Supervisors

ATTEST:  
SHARI GREENWOOD, CLERK  
TO THE BOARD OF SUPERVISORS

By: \_\_\_\_\_

APPROVED AS TO ACCOUNTING FORM:

GARY W. PETERSON, AUDITOR-  
CONTROLLER/TREASURER-TAX  
COLLECTOR

By: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:

PHILLIP S. CRONIN  
COUNTY COUNSEL

By \_\_\_\_\_  
Attorney for the County of Fresno

A177AMEND.FIN





AGREEMENT

BETWEEN THE COUNTY OF FRESNO AND THE CITY OF FRESNO  
RELATING TO MUNICIPAL COURT FINES AND FORFEITURES

THIS AGREEMENT, made as of March 22, 1977, between the County of Fresno, a political subdivision of the State of California, party of the first part, and the City of Fresno, a municipal corporation, to wit, a charter city within said County, party of the second part:

W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Section 1463 of the Penal Code and related sections, fines and forfeitures collected by the Municipal Court of the Fresno Judicial District are currently disposed of by the Treasurer of the County of Fresno by transferring the same to the proper funds of the County of Fresno and the City of Fresno in accordance with the percentage set forth in said section:

WHEREAS, said section provides that any county and city therein may by mutual agreement adjust the percentage therein specified; and

WHEREAS, as a part of the settlement of the controversy between the County and City relating to the sharing of the sales and use taxes collected within the city, the parties have agreed that 100% of all fines and forfeitures referred to in Section 1463(c) of the Penal Code collected by the Municipal Court of the Fresno Judicial District shall, on and after April 1, 1977, be transferred by the County Treasurer to the County general fund to be retained by the County for its use and benefit, except as hereinafter otherwise provided.

NOW, THEREFORE, the parties hereto have and by these presents do agree as follows:

1. All transfers by the Fresno County Treasurer made pursuant to Penal Code Section 1463(c), of the fines and forfeitures specified therein collected and deposited with said Treasurer by the Municipal Court of the Fresno Judicial District, shall be made, on and after April 1, 1977, one hundred percent (100%) to the general fund of the County of Fresno; provided, however, that any of said fines and forfeitures so collected and deposited on or before February 28, 1977, shall, whether transferred before or after April 1, 1977, be distributed according to the percentage allocation specified in Penal Code Section 1463(c).

2. This agreement shall not be deemed to apply to any funds except those which would otherwise be transferred to the City of Fresno pursuant to Section 1463(c) of the Penal Code.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the date hereinabove contained, pursuant to resolutions of the respective governing bodies thereof duly made.

COUNTY OF FRESNO

CITY OF FRESNO

BY *John R. Paulson*  
Chairman,  
Board of Supervisors

BY *T. W. Hadden*  
Chief Administrative Officer

APPROVED AS TO LEGAL FORM:

BY *Robert M. Wash*  
ROBERT M. WASH  
Attorney Counsel

APPROVED AS TO FORM  
SENIOR CLERK, CLERK OF THE COURT  
*James E. [Signature]*  
CLERK

M. G. WINGETT, Clerk of  
the Board of Supervisors

ST:EE  
1-17-77 *Julia A. Anti* -2-  
DAMIER



1 PHILLIP S. CRONIN, County Counsel  
2 RUBEN E. CASTILLO, Chief Deputy County Counsel  
3 County of Fresno  
4 2220 Tulare Street, Fifth Floor  
5 Fresno, CA 93721  
6 (209) 488-3479

7 HILDA CANTU MONTTOY, City Attorney  
8 JESSE J. AVILA, Assistant City Attorney  
9 City of Fresno  
10 2600 Fresno Street  
11 Fresno, CA 93721-3602  
12 (209) 498-1326

13 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
14 COUNTY OF FRESNO

15 COUNTY OF FRESNO, a political subdivision of  
16 the State of California.

17 Plaintiff.

18 v.

19 CITY OF FRESNO, a municipal corporation  
20 Defendant.

21 And Related Cross-Action.

22 CITY OF FRESNO and REDEVELOPMENT  
23 AGENCY OF THE CITY OF FRESNO,  
24 Plaintiffs,

25 v.

26 COUNTY OF FRESNO, FRESNO COUNTY  
27 BOARD OF SUPERVISORS, FRESNO COUNTY  
28 AUDITOR-CONTROLLER/TREASURER-TAX  
COLLECTOR.

Defendants.

And Related Cross-Action.

COUNTY OF FRESNO, a political subdivision of  
the State of California.

Plaintiff,

v.

CITY OF FRESNO and FRESNO  
REDEVELOPMENT AGENCY

Defendants.

And Related Cross-Action.

JUDGMENT  
PURSUANT TO STIPULATION

Case No. 502123-3

Case No. 545904-5

Case No. 560663-7

1 COUNTY OF FRESNO, a political subdivision of  
2 State of California.

Plaintiff,

3 v.

4 CITY OF FRESNO and FRESNO  
5 REDEVELOPMENT AGENCY.  
Defendants.

Case No. 571200-5

6 COUNTY OF FRESNO, a political subdivision of  
7 the State of California.

Plaintiff

8 v.

9 CITY OF FRESNO, REDEVELOPMENT  
10 AGENCY OF THE CITY OF FRESNO  
Defendants.

Case No. 573647-5

11 Pursuant to their Master Settlement Agreement, Release, Stipulation For Judgment and  
12 Order, the County of Fresno, the Fresno County Board of Supervisors, the Fresno County  
13 Auditor-Controller/Treasurer-Tax Collector, Fresno County Clerk Susan Anderson, the City of  
14 Fresno and the Redevelopment Agency of the City of Fresno, variously plaintiffs, defendants,  
15 cross-complainants and cross-defendants in the above-referenced actions, stipulated that upon the  
16 facts and authorities set forth therein, judgment shall be entered as follows:

17 1. The stipulated judgment shall be a judgment within the meaning of Government Code  
18 section 970, and shall be binding upon the County of Fresno, the Fresno County Board of  
19 Supervisors, the Fresno County Auditor-Controller/Treasurer-Tax Collector, Fresno County  
20 Clerk Susan Anderson, the City of Fresno and the Redevelopment Agency of the City of Fresno  
21 as to the following "Litigation" set forth in the Master Settlement Agreement, Release, Stipulation  
22 For Judgment And Order:

23 1.1. Superior Court Case No. 502123-3, entitled County of Fresno v. City of  
24 Fresno, and Related Cross-Action ("Parking Fines"): Plaintiff and Cross-Defendant County of  
25 Fresno, Defendant and Cross-Complainant City of Fresno.

26 1.2. Superior Court Case No. 545904-5, entitled City of Fresno and  
27 Redevelopment Agency of the City of Fresno v. County of Fresno, Fresno County Board of  
28 Supervisors, Fresno County Auditor-Controller/Treasurer-Tax Collector, and Related Cross-

1 Action ("AB 1290"): Plaintiff and Cross-Defendant City of Fresno. Plaintiff and Cross-Defendant  
2 Redevelopment Agency of the City of Fresno. Defendant and Cross-Complainant County of  
3 Fresno. Defendant Fresno County Board of Supervisors, Defendant Fresno County Auditor-  
4 Controller/Treasurer-Tax Collector.

5 1.3. Superior Court Case No. 560663-7, entitled County of Fresno v. City of  
6 Fresno, and Fresno Redevelopment Agency, and Related Cross-Action ("CSA 48"): Plaintiff and  
7 Cross-Defendant County of Fresno, Defendant and Cross-Complainant City of Fresno, Defendant  
8 and Cross-Complainant Redevelopment Agency of the City of Fresno. Cross-Defendant Fresno  
9 County Board of Supervisors, Cross-Defendant Fresno County Auditor-Controller/Treasurer-Tax  
10 Collector, Cross-Defendant Fresno County Clerk Susan Anderson, Cross-Defendant Sunnyside  
11 Property Owners Association, and Cross-Defendant Fresno County Local Agency Formation  
12 Commission.

13 1.4. Superior Court Case No. 571200-5, entitled County of Fresno v. City of  
14 Fresno and Fresno Redevelopment Agency ("Roeding Park - CEQA"): Petitioner County of  
15 Fresno. Respondent City of Fresno, and Respondent Fresno Redevelopment Agency.

16 1.5. Superior Court Case No. 573647-5, entitled County of Fresno v. City of  
17 Fresno, Redevelopment Agency of the City of Fresno ("Roeding Park - Redevelopment"):  
18 Plaintiff County of Fresno, Defendant City of Fresno, and Defendant Redevelopment Agency of  
19 the City of Fresno.

20 2. The stipulated judgment shall be entered pursuant to the provisions of Government  
21 Code section 970, et seq., entitled "Payment of Judgments Against Local Public Entities," and  
22 that pursuant to those provisions, any party may seek enforcement of the judgment, the court may  
23 enforce and compel performance of the judgment by any means available to the court, and the  
24 court shall retain jurisdiction over these matters to enforce the payment of the judgment.

25 3. Nothing in this Master Settlement Agreement or this Judgment shall require the  
26 Redevelopment Agency, either directly or indirectly, as part of this Master Settlement Agreement  
27 or this Judgment, to make any payments to the County or any other affected taxing entities which  
28 are prohibited by Health & Safety Code section 33607.5(f)(2), or to pay for any public facilities

1 that will be owned or leased to an affected taxing entity, including the Elkhorn Detention Facility  
2 or other County detention facility or facilities.

3 4. The respective parties shall each bear their own costs. No party shall be deemed a  
4 prevailing party for purposes of an award of attorneys fees under Code of Civil Procedure Section  
5 1021.5.

6 5. The parties below, through their respective counsel, bind themselves to the stipulated  
7 judgment set forth below.

8 Dated: September \_\_\_\_\_, 1998

HILDA CANTU MONTROY  
FRESNO CITY ATTORNEY

9  
10 By \_\_\_\_\_  
11 Attorneys for the City of Fresno and the  
12 Redevelopment Agency of the City of Fresno

13 Dated: September \_\_\_\_\_, 1998

PHILLIP S. CRONIN  
COUNTY COUNSEL

14 By \_\_\_\_\_  
15 Attorneys for the County of Fresno,  
16 Fresno County Board of Supervisors, Fresno  
17 County Auditor-Controller/Treasurer-Tax Collector,  
18 Fresno County Clerk Susan Anderson

19 Dated: September \_\_\_\_\_, 1998

JEFFREY KUHN  
MADERA COUNTY COUNSEL

20 By \_\_\_\_\_  
21 Attorneys for the Fresno County Local Agency  
22 Formation Commission

23 Dated: September \_\_\_\_\_, 1998

PARICHAN, RENBERG, CROSSMAN &  
HARVEY

24 By \_\_\_\_\_  
25 Attorneys for Sunnyside Homeowners Association

### JUDGMENT

26 Good cause appearing, it is **HEREBY ORDERED, ADJUDGED AND DECREED:**

27 1. The stipulation for judgment set forth in the aforesaid Master Settlement Agreement,  
28 Release, Stipulation For Judgment and Order is approved.



2. This judgment is binding on the City of Fresno, Redevelopment Agency of the City of Fresno, County of Fresno, Fresno County Local Agency Formation Commission, Fresno County Board of Supervisors, Fresno County Auditor-Controller/Treasurer-Tax Collector, and Fresno County Clerk Susan Anderson, and upon their successors in interest, agents, representatives and officials.

3. These actions are dismissed with prejudice. Each party bears its own costs and fees. The Clerk of this Court shall file a copy of this Judgment in each action captioned.

4. The parties are ordered to perform their respective obligations set forth in the Master Settlement Agreement, Release, Stipulation For Judgment, and Order.

5. This judgment is entered and shall be enforceable pursuant to the provisions of Government Code section 970, et seq.

6. The City of Fresno is ordered to pay to the County of Fresno Nine Million Dollars (\$9,000,000) in nine equal annual installment payments of One Million Dollars (\$1,000,000) each, plus interest as agreed by the parties, all in accordance with the terms of the aforesaid Master Settlement Agreement, Release, Stipulation For Judgment and Order.

7. The Court finds, pursuant to Government Code section 970.6, after hearing and upon the resolution of the governing body of the City of Fresno, that an unreasonable hardship will result unless the judgment is paid in installments.

8. The City of Fresno is ordered to comply with the provisions of Government Code section 970, et seq., including the statutory requirement to make such funds available as are sufficient for payment of the Judgment, with interest thereon, according to Government Code section 970.8.

9. The Court retains jurisdiction to enforce this Judgment according to the provisions of Government Code section 970.1.

Dated: \_\_\_\_\_, 1998

Judge of the Superior Court

FIRST AMENDMENT TO 1977 MOU

THIS FIRST AMENDMENT TO 1977 MOU is made and executed this 22nd day of September, 1998 (the "effective date") by and between the COUNTY OF FRESNO, a political subdivision of the State of California (hereinafter referred to as ("COUNTY")), and the CITY OF FRESNO, a municipal corporation of the State of California (hereinafter referred to as "CITY").

RECITALS

WHEREAS, the City and County entered into that certain agreement entitled "Agreement Between The County of Fresno And The City Of Fresno Relating To Municipal Court Fines And Forfeitures," dated March 22, 1977 (hereinafter "1977 MOU"), attached hereto as Exhibit "1"; and,

WHEREAS, the City and County have experienced a number of disputes between them concerning the operation or interpretation of the 1977 MOU, including a bona fide dispute over whether the provisions of certain 1993 legislative amendments, more commonly known as "AB 408," superseded the 1977 MOU as it related to revenues from parking citations issued by the City of Fresno; and,

WHEREAS, these disputes have resulted in a complaint being filed by the County and a cross-complaint being filed by the City, wherein County and City raised a number of claims between them, which the City and County have agreed to compromise and settle pursuant to the terms of a Master Settlement Agreement, Release, Stipulation for Judgment and Order (hereinafter "Master Settlement Agreement"), which is being executed contemporaneously herewith; and,

WHEREAS, as set forth in the aforesaid Master Settlement Agreement, and in consideration of City's agreement to pay County the amounts set forth in the Master Settlement Agreement, the County agreed to extinguish its claim that civil penalties from parking citations issued and processed by the City fell within the scope of the 1977 MOU and had to be paid to County, to amend the 1977 MOU in accordance therewith, and to amend the 1977 MOU to provide that the 1977 MOU shall terminate on March 22, 2008,

1 and shall terminate earlier than March 22, 2008, only if the 1991 MOU is either amended  
2 or superseded by another Memorandum of Understanding between the City and County  
3 to expressly terminate the 1977 MOU after September 30, 1998. However, at any  
4 occasion after September 30, 1998, if the parties meet to negotiate an amendment to the  
5 1991 MOU, they shall contemporaneously consider the question of whether or not to  
6 terminate the 1977 MOU prior to March 22, 2008; and,

7 WHEREAS, in order to implement the Master Settlement Agreement, the City,  
8 County and Agency desire to amend the 1977 MOU so as to effectuate the parties' accord  
9 in the Master Settlement Agreement.

10 NOW, THEREFORE, the parties hereto agree to amend the 1977 MOU as  
11 follows:

#### 12 AMENDMENT

13 1. Pursuant to the Master Settlement Agreement, City and County agreed to  
14 extinguish County's claim that civil parking penalties from the issuance and processing of  
15 parking citations by the City were properly the revenues belonging to County under the  
16 1977 MOU, to amend the 1977 MOU in accordance therewith, and to provide for a  
17 termination of the 1977 MOU.

18 2. Accordingly, County and City amend the 1977 MOU as follows:

19 A. Insert as new paragraph 3, at page 2 thereof, the following:

20 "3. Effective July 1, 1993, this Agreement does not apply to  
21 parking violations, or to the revenues or proceeds thereof, of  
22 whatever kind or nature, collected in connection with parking  
23 violations."

24 B. Insert as new paragraph 4, at page 2 thereof, the following:

25 "4. This Agreement shall terminate on March 22, 2008,  
26 and shall terminate earlier than March 22, 2008, only if  
27 the 1991 MOU is either amended or superseded by  
28 another Memorandum of Understanding between the

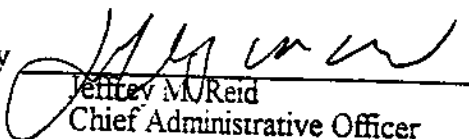
1 City and County to expressly terminate the 1977 MOU  
2 after September 30, 1998. However, at any occasion  
3 after September 30, 1998, if the parties meet to  
4 negotiate an amendment to the 1991 MOU, they shall  
5 contemporaneously consider the question of whether  
6 or not to terminate the 1977 MOU prior to March 22,  
7 2008."

8 3. Except as thus amended, all other provisions of the 1977 MOU remain the  
9 same and are unaffected by this First Amendment to the 1977 MOU.

10 4. City and County agree that each has the legal authority to enter into and be  
11 legally bound by this First Amendment, that each has exercised its discretion in  
12 connection with its Constitutional and statutory responsibilities, and that each has  
13 determined that this First Amendment is a lawful and valid act and is undertaken in  
14 accordance with all applicable California law.

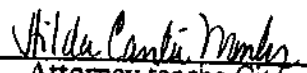
15 IN WITNESS WHEREOF, the parties have executed this First Amendment to the 1977  
16 MOU in the County of Fresno, State of California, on the date first set forth above.

17 CITY OF FRESNO

18  
19 By   
20 Jeffrey M. Reid  
Chief Administrative Officer

21  
22 Approved as to Legal Form:

23 HILDA CANTU MONTROY  
24 Fresno City Attorney

25 By   
26 Hilda Cantu Montroy  
27 Attorney for the City of Fresno

28 (Signatures continued on next page.)

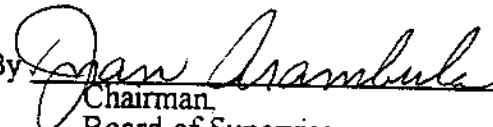
ATTEST:

REBECCA E. KLISCH  
CITY CLERK


By   
Deputy

SFD 9.2 1998

COUNTY OF FRESNO

By:   
Chairman  
Board of Supervisors

ATTEST:  
SHARI GREENWOOD, CLERK  
TO THE BOARD OF SUPERVISORS

By:   
Deputy

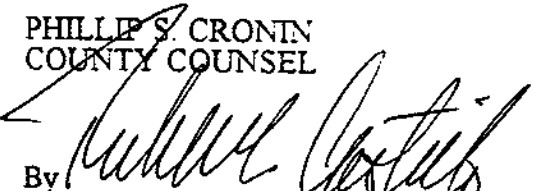
APPROVED AS TO ACCOUNTING FORM:

GARY W. PETERSON, AUDITOR-  
CONTROLLER/TREASURER-TAX  
COLLECTOR

By: 

APPROVED AS TO LEGAL FORM:

PHILLIP S. CRONIN  
COUNTY COUNSEL

By:   
Attorney for the County of Fresno

A177AMEND.FIN



AGREEMENT

BETWEEN THE COUNTY OF FRESNO AND THE CITY OF FRESNO  
RELATING TO MUNICIPAL COURT FINES AND FORFEITURES

THIS AGREEMENT, made as of March 22, 1977, between the County of Fresno, a political subdivision of the State of California, party of the first part, and the City of Fresno, a municipal corporation, to wit, a charter city within said County, party of the second part:

## W I T N E S S E T H:

WHEREAS, pursuant to the provisions of Section 1463 of the Penal Code and related sections, fines and forfeitures collected by the Municipal Court of the Fresno Judicial District are currently disposed of by the Treasurer of the County of Fresno by transferring the same to the proper funds of the County of Fresno and the City of Fresno in accordance with the percentage set forth in said section;

WHEREAS, said section provides that any county and city therein may by mutual agreement adjust the percentage therein specified; and

WHEREAS, as a part of the settlement of the controversy between the County and City relating to the sharing of the state and use taxes collected within the city, the parties have agreed that 100% of all fines and forfeitures referred to in Section 1463(c) of the Penal Code collected by the Municipal Court of the Fresno Judicial District shall, on and after April 1, 1977, be transferred by the County Treasurer to the County general fund to be retained by the County for its use and benefit, except as hereinafter otherwise provided.

NOW, THEREFORE, the parties hereto have and by these presents do agree as follows:

1. All transfers by the Fresno County Treasurer made pursuant to Penal Code Section 1463(c), of the fines and forfeitures specified therein collected and deposited with said Treasurer by the Municipal Court of the Fresno Judicial District, shall be made, on and after April 1, 1977, one hundred percent (100%) to the general fund of the County of Fresno; provided, however, that any of said fines and forfeitures so collected and deposited on or before February 23, 1977, shall, whether transferred before or after April 1, 1977, be distributed according to the percentage allocation specified in Penal Code Section 1463(c).

2. This agreement shall not be deemed to apply to any funds except those which would otherwise be transferred to the City of Fresno pursuant to Section 1463(c) of the Penal Code.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the date hereinabove contained, pursuant to resolutions of the respective governing bodies thereof duly made.

COUNTY OF FRESNO

CITY OF FRESNO

BY *John R. Sullivan*  
Chairman,  
Board of Supervisors

BY *T. W. Hender*  
Chief Administrative Officer

APPROVED AS TO LEGAL FORM:

BY *Robert M. Nash*  
ROBERT M. NASH  
Attorney Counsel

APPROVED AS TO FORM  
BY *James P. [illegible]*  
City Clerk

M. G. WINGETT, Clerk of  
the Board of Supervisors

STAMP  
1-17-77 *Julia A. [illegible]* -2-  
NAME